

**THE RHODE ISLAND CONVENTION CENTER AUTHORITY 306th
MEETING OF THE BOARD OF COMMISSIONERS June 28, 2007**

A meeting of the Board of Commissioners of the Rhode Island Convention Center Authority (hereinafter referred to as "Authority", the "CCA" or the "Board") was held on June 28, 2007 at 9:00 a.m. pursuant to notice, at the Rhode Island Convention Center Boardroom, One Sabin Street, Providence, Rhode Island.

Board members present were Chairman, David A. Duffy, Commissioners, Jeff Hirsh, George Nee, Patrick Butler, Dale Venturini, Bernie Buonanno, Marianne Corr and Dave Gavitt.

Mr. Fowler and Mr. MacDonald were unable to attend.

Also present were James P. McCarvill, Executive Director, Betty Sullivan, Kerrie Bennett and Emily Moschet, Rhode Island Convention Center Authority; Bruce Leach, Legal Counsel; Neil Schriever, PWCVB; Tim Muldoon, Debbie Tuton and Danielle Pestana, SMG/RICC; Larry Lepore, Cheryl Schadone, Eleanor SanAntonio and Kym Chevian, SMG/DDC; Steve Duvel, Gilbane; Eric Ahlborg, O Ahlborg; Bob Bromley, Senate Fiscal and Senate Oversight; Ben Gedan, Projo, and Eileen Smith, Recording Secretary. CALL TO ORDER

Recognizing a quorum, Chairman Duffy called the meeting to order at 9:08 a.m.

APPROVAL OF MINUTES

Chairman Duffy entertained a motion to accept the minutes of the 305th meeting, May, 2007. Upon a motion duly made by Mr. Gavitt and seconded by Mr. Buonanno it was unanimously VOTED: to approve the minutes as distributed

Chairman Duffy instructed the Authority office to send the approved minutes to the Secretary of State's Office via electronic mail.

Chairman Duffy asked Mr. McCarvill to present the consolidated financial review. Mr. McCarvill was pleased to report a record month at the Convention Center primarily driven by American Power Conversion's International meeting events. Combined revenue was up \$639,000 to prior year and \$868,000 to budget. Year to Date combined revenue is up \$2.8 million to budget and \$1.05 million to the prior year. However, in combination with increased losses at the Dunkin' Donuts Center and increased debt service related to the acquisition of the Dunkin' Donuts Center and renovations leaves us negative \$7.8 million to prior year and negative \$1.1 million to budget.

Mr. Gavitt commented that he was shocked at the attendance for hockey. Mr. Lepore responded that minor league hockey goes the way of the big leagues and hockey attendance is down in the area. Mr. Duffy congratulated Mr. Muldoon on a great month of May.

DUNKIN' DONUTS CENTER

Mr. Buonanno asked Ms. Bennett and Mr. Duvel to address the Board.

Mr. Duvel reported that the foundation for the lobby extension and erection of the North Suite steel will begin on Monday. He said that 90% of the demolition is complete and the fire alarm system and sprinklers are going in. Mr. Gavitt said that he was impressed with the number of people working on site. Mr. Duvel noted that 200 workers are on the job. Mr. Duvel stated that we are ready for National Grid but that is not holding anything up waiting for the switch over. Ms. Bennett noted that she would be available on Fridays after 2:30 if anyone is interested in a walkthrough. Ms. Bennett reported that an RFP had been issued for the seating as well as furniture. Ms. Bennett reported that the war memorial and the public art piece were moving forward.

Mr. Duffy noted that we had asked for a report from our Owner's Rep. He said that a detailed report was provided by Mr. Ahlborg on Tuesday. Mr. Ahlborg distributed the Executive Summary of the report and said that the full presentation would be made available for all Commissioners. Mr. Ahlborg stated that his team has challenged every item in the GMP which resulted in a lower GMP. He said that now their responsibility is to control and stay on top of changes. Mr. Gavitt asked that the protocol be reviewed again. Mr. Ahlborg said that change orders can originate from the construction manager, the architect or the owner. The change orders are reviewed and approved by the owner with input from the owner's rep. Mr. Duffy

asked if it is understood that we are not asking the Governor or the Legislature again. Mr. Ahlborg said that some tough decisions will have to be made. Mr. Ahlborg gave an example of concrete markings.

Mr. Gavitt asked if the architect was hearing us. He said “why would he come back with something prettier but unnecessary”. Mr. Gavitt continued that it is puzzling to him. He asked “are the architect and general contractor hearing us”. Mr. Nee said that he would like to see a spreadsheet on the change orders. Mr. Ahlborg stated that the design changes are done by the architect and some of those changes were due to unforeseen circumstances. Mr. Nee asked if there is a way to put a dollar figure on architectural change orders. He said that ultimately the buck stops with the Board. Mr. Nee recommended that the Board be more involved in change orders and suggested that any changes over \$50,000 should be brought to the Commissioners for approval. Discussions ensued regarding the manner in which input could be gathered. Mr. Leach stated that the Commissioners could not be polled by telephone. Mr. McCarvill said that we could put in place a method for combining change orders into a bundle for review. Upon a motion duly made by Mr. Nee and seconded by Mr. Buonanno it was unanimously

VOTED: that the Executive Director should prepare a monthly report on change orders and to involve the Commissioners in the approval process.

Chairman Duffy said that the Board should be more involved with this

high profile project.

Mr. Leach updated the Board on his progress regarding any legal action that may be taken. Mr. Leach stated that he had gathered information from the Authority and interviewed Mr. McCarvill, Mr. Ahlborg and Mr. Coppola. Mr. Leach also noted that he had spent time at the law library researching our options. Ms. Corr asked if Mr. Leach if he was looking at all items for action, the feasibility study as well as the architectural contract. Mr. Duffy noted that the discussion was being taken to another level and suggested that a full report be prepared for the Commissioners.

Mr. Buonanno asked Mr. Lepore to give an update on operations. Mr. Lepore reported that an RFP had been issued for fall protection to be installed prior to our first concert. Mr. Lepore was pleased to report that a State wide training film for the Governor's Commission on Disabilities was made using the Dunkin' Donuts Center's video equipment and interns saving the State approximately \$27,000. Mr. Lepore noted that the Providence Bruins have game dates but that they have not yet been confirmed by the league. He also noted that the Dunkin' Donuts Center staff has forged a great relationship with the Guatemalan Consulate. He said that we have a large Latin population in Rhode Island and it is important to recognize the potential in the market.

CONVENTION CENTER COMMITTEE

Ms. Corr reported that the Convention Center Committee had met on Tuesday. She asked Mr. Muldoon to address the Board. Mr. Muldoon reported that the Convention Center enjoyed a record setting month. He said that the facility was extremely busy and that he was proud of the way that the team performed. Mr. Muldoon stated that the finishing touches to the Junior Ballroom upgrade are being completed. He invited the Commissioners to view the room following the meeting. Mr. Muldoon reported that the project was completed on time and under budget. Ms. Corr noted that the Convention Center staff does great work. Mr. McCarvill said that we have a great deal of talent on staff and that some of the renovations at the Dunkin' Donuts Center could be deferred and completed by in house talent. Mr. Muldoon reported that the building was being power washed and the escalator would receive a thorough cleaning in July.

MARKETING COMMITTEE

Ms. Venturini reported that Martha Sheridan and Phyllis Blanchette have been working with the City Planning Department and have created a list of locations to place signage for the facilities. She said that signs should be appearing next month.

Ms. Venturini asked Mr. Schriever to address the Board. Mr. Schriever stated that the American Power Conversion International meeting was a great success for the City. He noted that even the weather cooperated. Mr. Schriever reported that the Red Bull Soap

Box Derby would be held in Providence in October. He stated that this event would be great public relations for our destination. Mr. Schriever said that thanks to Mr. Gavitt, John Gibbons got in meet with the NCAA. He noted that Mr. Gavitt's assistance was greatly appreciated.

Ms. Venturini commented that the staff of both facilities as well as the CVB are always working to attract events to the City.

Mr. Buonanno brought to the Board's attention the escalator located at the AMTRAC station. He asked if the CVB or the Authority could do anything to have the escalator repaired. Mr. Schriever said that he understands that the parts are no longer available and that it will be replaced in the fall. Ms. Venturini asked Mr. Duffy if we could help by contracting our Congressional Delegation and the Mayor.

Ms. Schadone reported that she and Kym had traveled to Dallas for the Annual Arena Marketing Conference. Ms. Schadone noted that we have a unique model here in Providence because we all work together. She said that she was asked to describe our partnership several times. Ms. Schadone reported that the 2010 Annual Meeting would be held in Providence.

Ms. Venturini noted that there was a lengthy discussion at the Committee meeting regarding tickets and Ticket Master's plan to resell tickets that have been purchased and then can't be used.

Chairman Duffy asked that a letter of thanks be sent to both the House and Senate Finance Committees for their support of our project. Mr. Duffy noting no further business entertained a motion to adjourn in memory of Commission Hirsh's mother. Upon a motion duly made by Mr. Nee and seconded by Ms. Venturini it was unanimously

VOTED: to adjourn at 10:30 a.m.